



Information Risk Management
SAN JOSE OFFICE

July 12, 2011

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

RE: PS Docket No. 11-82; FCC 11-74

Dear Ms. Dortch:

This letter is submitted to the Federal Communications Commission (FCC) on behalf of PayPal, Inc. ("PayPal") in response to the *Notice of Proposed Rulemaking (NPRM) PS Docket No. 11-82: The Proposed Extension of Part 4 of the Commission's Rules Regarding Outage Reporting to Interconnected Voice Over Internet Protocol Service Providers and Broadband Internet Service Providers*. Our business, like many others, relies on the Internet as a communications medium and its continued availability, reliability, and security is essential for our continued success.

PayPal is a leading online payments company, with more than 94 million active user accounts internationally, supporting payments in 25 currencies. Headquartered in San Jose, California, PayPal has offices in several states in the United States, along with its international headquarter in Singapore and European headquarter in Luxembourg. PayPal's payments solution connects into and leverages the traditional payment networks (whether ACH, bank card networks, or PIN networks) enabling its users to make and receive payments in a safe, efficient and cost effective manner.. The Internet has proven to be a remarkable transformation catalyst. Few if any industries are exempt from change wrought by the Internet or the services built on top of it with telecommunications arguably seeing more change than any other industry. While change can be disruptive, it also presents an opportunity for improved and/or enhanced services. We believe that in large measure, the changes brought about through the Internet have been overwhelmingly positive.

A significant and increasing portion of the United States population relies on interconnected voice over internet protocol (VoIP) for their primary or sole residential telephone communications service. As a consequence, and perhaps unwittingly, these individuals now rely on VOIP and broadband internet service providers (ISPs) for access to emergency services through 911.

With its public safety mandate, the FCC is well-positioned to assess the reliability and availability of 9-1-1 services, whether provided through legacy systems or VoIP, provided it has the needed data. Only through collection and analysis of data related to 9-1-1 services (VOIP and legacy) can we determine if the change from legacy to VOIP services is disruptive to consumers and if so, how we might mitigate that disruption.

While we are not expert in FCC rules and therefore will not comment specifically on the proposed rules themselves, we are generally in favor of the FCC issuing rules that enable it to quantify the impact, if any, to the public by the move from legacy to VoIP 9-1-1 services.

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We urge the FCC to impose the minimal set of regulations that will achieve maximal benefit. While achieving such a balance is never a simple task, we believe special diligence and extra care in regulation of any Internet service or provider is warranted. Where deemed necessary, regulation should be carefully and narrowly tailored to achieve the desired effect without imposing undue burden or causing external effects.

We thank the FCC for the opportunity to provide comments on this important topic.

Sincerely,



Michael Barrett
Chief Information Security Officer, PayPal